



State of Connecticut

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Testimony in Support of
Senate Bill 55: AN ACT ESTABLISHING A PERSONAL INCOME TAX DEDUCTION FOR THE
COSTS OF HOME HEALTH CARE
and
House Bill 5292: AN ACT ESTABLISHING A PERSONAL INCOME TAX DEDUCTION
FOR LONG-TERM CARE INSURANCE PREMIUM PAYMENTS
February 22, 2023

Senator Fonfara, Representative Horn, Senator Martin, Representative Cheeseman, and distinguished members of the Finance, Revenue and Bonding Committee.

My name is Kevin Kelly, and I am the Republican Minority Leader in the State Senate. Thank you for considering SB55 - a commonsense proposal to support all Connecticut residents as they age. Aging in place enables people to age in their homes, in their communities, with dignity and surrounded by their loved ones. Given the choice, nearly 90 percent of seniors prefer to live in their own home for as long as they can. Helping seniors and their caregiving families to achieve this goal is a compassionate policy decision, and also one that will save taxpayers money in the long-run. Cost-effective home and community-based services can keep seniors at home, where they prefer to live, and stretch limited state resources. This proposal seeks to remove barriers to home care by allowing for a state income tax deduction of up to \$60,000 for the cost of full-time home health care including, but not limited to, medical supplies and in-home services provided by homemaker-home health aides and other home health care providers. This policy choice will allow for more seniors to stay in their homes and stay out of expensive institutional care. Seniors are projected to make up a quarter of Connecticut's population — a 69 percent increase — by 2032. If we continue to spend at the current rate on long-term institutional care, Connecticut taxpayers could be on the hook for at least \$5 billion a year in nursing home care. It's an unaffordable projection that risks straining taxpayers and core social services. We must make serious investments to rebalance our long-term care system and offer seniors more options to receive supportive services and care at home. Passing policies which provide seniors with fiscal relief and improve their quality of life while allowing them to age in place will help Connecticut to become a role model for the nation.

Thank you for considering HB5292 to establish a personal income tax deduction for premiums paid for long-term care insurance. I have proposed similar legislation to establish a tax credit for the amount of premiums paid to purchase an individual or group long-term care insurance policy that provides benefits for health care provided in an insured's home. Our mutual goal should be to make long-term care coverage more affordable and accessible. Incentivizing more people to purchase this coverage will in turn reduce burdens on state taxpayers.

Both SB55 and HB5292 represent positive steps that we can take to send a message to our seniors that we value them and want them to age in place in a more affordable state. They are also fiscally responsible proposals which will ease budgetary pressures in terms of nursing home and Medicaid costs.